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DEPARTMENT OF COMMERCE

International Trade Administration

A-570-890

Wooden Bedroom Furniture from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2011

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: In response to requests from interested parties, the Department of Commerce ("Department") is conducting an administrative review of the antidumping duty order on wooden bedroom furniture ("WBF") from the People's Republic of China ("PRC"). The period of review ("POR") is January 1, 2011 through December 31, 2011. During the review, the two mandatory respondents did not cooperate, and the Department preliminarily determines to treat these companies as part of the PRC-wide entity. The Department also preliminarily determines that six companies made no shipments of subject merchandise during the POR and will retain their separate rate status, three companies have demonstrated eligibility for separate rate status, and four companies have failed to establish eligibility for separate rate status. Lastly, the Department intends to rescind the review for two companies that are U.S. importers.

EFFECTIVE DATE: (Insert date of publication in the Federal Register)

FOR FURTHER INFORMATION CONTACT: Rebecca Pandolph or Patrick O'Connor, AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3627 or (202) 482-0989, respectively.

SUPPLEMENTARY INFORMATION:

Scope of the Order

The product covered by the order is wooden bedroom furniture, subject to certain exceptions.¹

Imports of subject merchandise are currently classified under the Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings: 9403.50.9042, 9403.50.9045, 9403.50.9080, 9403.50.9041, 9403.60.8081, 9403.20.0018, 9403.90.8041, 7009.92.1000 or 7009.92.5000.

Although the HTSUS subheadings are provided for convenience and customs purposes, the written product description in the Order remains dispositive.²

Preliminary Determination of No Shipments

Among the companies under review, seven companies reported that they made no shipments of subject merchandise to the United States during the POR.³ These seven companies are: (1) Alexandre International Corp.: Southern Art Development Ltd.; Alexandre Furniture (Shenzhen) Co., Ltd.; Southern Art Furniture Factory (collectively, “Alexandre Group”); (2) Clearwise Company Limited (“Clearwise”); (3) Dongguan Yujia Furniture Co., Ltd. (“Yujia”); (4) Golden Well International (HK) Ltd. (“Golden Well”); (5) Hangzhou Cadman Trading Co., Ltd. (“Cadman”); (6) Yeh Brothers World Trade, Inc. (“Yeh Brothers”); and (7) Zhejiang Tianyi Scientific and Educational Equipment Co., Ltd. (“Zhejiang Tianyi”).

¹ For the antidumping duty order, see Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Wooden Bedroom Furniture From the People’s Republic of China, 70 FR 329 (January 4, 2005) (“Order”).

² For a complete description of the scope of the order, see “Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Wooden Bedroom Furniture from the People’s Republic of China,” from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Import Administration, (“Preliminary Decision Memorandum”), dated concurrently with this notice.

³ For a full explanation of the Department’s analysis, see Memorandum to Abdelali Elouaradia, Director, Office 4, AD/CVD Operations, regarding “Analysis of No Sales/Shipments Claims Made by Certain Companies” (“No Shipment Claims Memorandum”) dated concurrently with this notice.

Based on the certifications of all companies and our analysis of U.S. Customs and Border Protection (“CBP”) information, we preliminarily determine that Clearwise, Yujia, Golden Well, Cadman, Yeh Brothers, and Zhejiang Tianyi did not have any reviewable transactions during the POR. However, the Department finds that consistent with its recently announced refinement to its assessment practice in non-market economy (“NME”) cases, it is not appropriate to rescind the review with respect to these companies but, rather, to complete the review with respect to these six companies and issue appropriate instructions to CBP based on the final results of the review.⁴ See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (October 24, 2011) and the “Assessment Rates” section below.

Record evidence contradicts Alexandre Group’s claim of no shipments during the POR.⁵ For further information regarding our treatment of the Alexandre Group see the “Separate Rates” section below.

Intent to Rescind the Review, in Part

Foliot Furniture Pacific Inc. (“Foliot Pacific”), Foliot Furniture Corporation (“Foliot Corporation”), and Foliot Furniture Inc./Meubles Foliot Inc. (“Foliot/Meubles”) requested a review of its exports and imports of subject merchandise.⁶ While Foliot/Meubles is a foreign exporter of subject merchandise, Foliot Pacific and Foliot Corporation have been identified as U.S. importers. The Department does not conduct administrative reviews of U.S. importers.

⁴ See Id.

⁵ See No Shipment Claims Memorandum, dated concurrently with this notice.

⁶ In the Wooden Bedroom Furniture From the People’s Republic of China: Initiation of Administrative Review, 77 FR 12235 (February 29, 2012)(“Initiation Notice”), the Department initiated a review for both Foliot Furniture Inc. and Meubles Foliot Inc.; however, Foliot has explained that it requested a review of only one exporter and it uses both names to refer to the exporter in the course of business because it has English and French customers. Because of this, we will treat Foliot Furniture Inc. and Meubles Foliot Inc. as one company.

Therefore, the Department intends to rescind the review with respect to Foliot Pacific and Foliot Corporation.

Methodology

The Department has conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (“the Act”). In making our findings, we have relied, in part, on facts available, and because the two mandatory respondents did not act to the best of their ability to respond to the Department’s requests for information, we have drawn an adverse inference in selecting from among the facts otherwise available.⁷ In addition, we assigned a dumping margin to the separate rate recipients based on Departmental practice which is described in the “Separate Rates” section below.

For a full description of the methodology underlying our conclusions, please see the Preliminary Decision Memorandum hereby adopted by this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Import Administration’s Antidumping and Countervailing Duty Centralized Electronic Service System (“IA ACCESS”). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at <http://www.trade.gov/ia/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Separate Rates

In the Initiation Notice, we informed parties of the opportunity to request a separate rate. In proceedings involving NME countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and, thus, should be

⁷ See sections 776(a) and (b) of the Act.

assigned a single antidumping duty deposit rate. It is the Department's policy to assign all exporters of merchandise subject to an administrative review involving an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate.

Companies that wanted to be considered for a separate rate in this review were required to timely file a separate rate application or a separate rate certification to demonstrate eligibility for a separate rate. Separate rate applications and separate rate certifications were due to the Department within 60 calendar days of the publication of the Initiation Notice.

In the Initiation Notice, we stated that “for exporters and producers who submit a separate-rate application or certification and subsequently are selected as mandatory respondents, these exporters and producers will no longer be eligible for separate-rate status unless they respond to all parts of the questionnaire as mandatory respondents.”⁸ After we selected Shanghai Maoji Imp and Exp Co., Ltd (“Maoji”) and Dongguan Huansheng Furniture Co., Ltd (“Huansheng”) as mandatory companies, Maoji failed to answer all sections of the Department's antidumping questionnaire and failed to respond to a supplemental Section A questionnaire while Huansheng failed to answer two supplemental questionnaires and withdrew from participating in the review. Therefore, neither Maoji nor Huansheng has established its eligibility for a separate rate and we will treat both companies as part of the PRC-wide entity. The PRC-wide entity rate is 216.01 percent.

⁸ See Initiation Notice, 77 FR at 12237.

In addition, four companies that remain under review have failed to provide separate rate applications or certifications necessary to establish their eligibility for a separate rate.⁹ The Department has preliminarily determined to treat these companies, namely the Alexandre Group, Billy Wood, Huanghekou, and Sheng Jing as part of the PRC-wide entity. As noted above, although the Alexandre Group claimed that it made no shipments during the POR, record evidence contradicts the claim.

Lastly, three companies that are still under review, Baigou Crafts Factory of Fengkai (“Baigou Crafts”), Foliot, and Hualing, applied for separate rate status.¹⁰ After examining the information provided by these companies, we have preliminarily determined that Baigou Crafts, Foliot, and Hualing have established their eligibility for a separate rate. Because the Department is not calculating antidumping duty margins for the mandatory respondents in this proceeding, we are relying on the most recent rates calculated for the nonselected companies in question, unless we calculated in a more recent review a rate for any company that was not zero, de minimis or based entirely on facts available. The most recently completed segment of this proceeding in which an antidumping duty margin was calculated for a company that was not zero, de minimis, or based entirely on facts available is the 2009 administrative review in which we calculated an antidumping duty margin of 41.75 percent for the mandatory respondent of that review, Dalian Huafeng Furniture Group Co., Ltd. Therefore, the Department has preliminarily assigned a rate of 41.75 percent to Baigou Crafts, Foliot, and Hualing.

⁹ The company groupings for three of the four companies are as follows: (1) Billy Wood Industrial (Dong Guan) Co., Ltd.; Great Union Industrial (Dongguan) Co., Ltd.; Time Faith Ltd. (collectively, “Billy Wood”); (2) Dongying Huanghekou Furniture Industry Co., Ltd. (“Huanghekou”); and (3) Sheng Jing Wood Products (Beijing) Co., Ltd.; Telstar Enterprises Ltd. (collectively, “Sheng Jing”).

¹⁰ The three company groupings are Baigou Crafts Factory of Fengkai (“Baigou Crafts”); Foliot Furniture Inc./Meubles Foliot Inc. (collectively, “Foliot”) Hualing Furniture (China) Co., Ltd.; Tony House Manufacture (China) Co., Ltd.; Buysell Investments Ltd.; and Tony House Industries Co., Ltd. (collectively, “Hualing”).

Preliminary Results of Review

The Department preliminarily determines that the following dumping margins exist for the period January 1, 2011, through December 31, 2011:

| Exporter | Weighted-Average Margin |
|----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| Baigou Crafts Factory of Fengkai | 41.75% |
| Foliot Furniture Inc./Meubles Foliot Inc. | 41.75% |
| Hualing Furniture (China) Co., Ltd.; Tony House Manufacture (China) Co., Ltd.; Buysell Investments Ltd.; and Tony House Industries Co., Ltd. | 41.75% |
| PRC-wide Entity ¹¹ | 216.01% |

Public Comment

Interested parties may submit written comments no later than 30 days after the date of publication of these preliminary results of review.¹² Rebuttals to written comments may be filed no later than five days after the written comments are filed.¹³

Any interested party may request a hearing within 30 days of publication of this notice.¹⁴ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of

¹¹ The PRC-wide entity includes, among other companies: Shanghai Maoji Import and Export Corp. Ltd; Dongguan Huansheng Furniture Co., Ltd; Alexandre International Corp.; Southern Art Development Ltd.; Alexandre Furniture (Shenzhen) Co., Ltd.; Southern Art Furniture Factory; Billy Wood Industrial (Dong Guan) Co., Ltd.; Great Union Industrial (Dongguan) Co., Ltd.; Time Faith Ltd.; Dongying Huanghekou Furniture Industry Co., Ltd.; Sheng Jing Wood Products (Beijing) Co., Ltd.; and Telstar Enterprises Ltd.

¹² See 19 CFR 351.309(c).

¹³ See 19 CFR 351.309(d).

¹⁴ See 19 CFR 351.310(c).

Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.¹⁵ The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.¹⁶ The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. Additionally, pursuant to a recently announced refinement to its assessment practice in NME cases, if the Department continues to determine that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the PRC-wide rate. For a full discussion of this practice, see Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (October 24, 2011).

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for Cadman, Clearwise, Golden Well, Yeh Brothers, Yujia, and Zhejiang Tianyi, which claimed no shipments, the cash deposit rate will remain unchanged from the rate assigned to these companies in the most recently completed review of the companies; (2) for Baigou Crafts, Foliot, and Hualing, which have a separate rate, the cash

¹⁵ See 19 CFR 351.310(d).

¹⁶ See 19 CFR 351.212(b)(1).

deposit rates will be the rates established in the final results of this review; (3) for previously investigated or reviewed PRC and non-PRC exporters who are not under review in this segment of the proceeding but who have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (4) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate the cash deposit rate will be the PRC-wide rate of 216.01 percent;¹⁷ and (5) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

¹⁷ For an explanation of the calculation of the PRC-wide rate, see Amended Final Results of Antidumping Duty Administrative Review and New Shipper Reviews: Wooden Bedroom Furniture From the People's Republic of China, 72 FR 46957 (August 22, 2007).

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Paul Piquado
Assistant Secretary
for Import Administration

Dated: January 30, 2013.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

1. Background
2. Scope of the Order
3. Respondent Selection
4. Non-Market Economy (“NME”) Country Status
5. Separate Rates
6. Margins for Separate Rate Recipients Not Individually Examined
7. Use of Facts Available and AFA

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